

House File 932 - Reprinted

HOUSE FILE _____
BY COMMITTEE ON WAYS AND MEANS
(SUCCESSOR TO HSB 321)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to revenue for the construction and maintenance
2 of roads.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2934HV 82
5 dea/cf/24

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1 1 Section 1. NEW SECTION. 312A.1 DEFINITIONS.
1 2 As used in this chapter, unless the context otherwise
1 3 requires:
1 4 1. "Department" means the state department of
1 5 transportation.
1 6 2. "Fund", or "TIME=21 fund", means the transportation
1 7 investment moves the economy in the twenty=first century fund.
1 8 Sec. 2. NEW SECTION. 312A.2 TRANSPORTATION INVESTMENT
1 9 MOVES THE ECONOMY IN THE TWENTY=FIRST CENTURY (TIME=21) FUND.
1 10 A transportation investment moves the economy in the
1 11 twenty=first century fund is created in the state treasury
1 12 under the control of the department. The fund shall be known
1 13 and referred to as the TIME=21 fund. The fund shall consist
1 14 of any moneys appropriated by the general assembly and any
1 15 revenues credited by law to the TIME=21 fund. Moneys in the
1 16 fund are not subject to section 8.33. Notwithstanding section
1 17 12C.7, subsection 2, interest or earnings on moneys deposited
1 18 in the fund shall be credited to the fund.
1 19 Sec. 3. NEW SECTION. 312A.3 ALLOCATION AND USE OF FUNDS.
1 20 Moneys in the TIME=21 fund shall be credited and used as
1 21 follows:
1 22 1. Sixty percent for deposit in the primary road fund to
1 23 be used exclusively for highway maintenance and construction,
1 24 including purchase of right-of-way but not including project
1 25 planning and design. The following projects are eligible for
1 26 funding under this subsection and shall have funding priority
1 27 in the order listed:
1 28 a. Completion of projects on highways designated as access
1 29 Iowa highways pursuant to 2005 Iowa Acts, chapter 178, section
1 30 41.
1 31 b. Projects on highways in the commercial and industrial
1 32 highway network that are included in the department's
1 33 five-year plan, or in the long-range plan, for the primary
1 34 road system. Priority shall be given to projects in areas of
1 35 the state that have existing biodiesel, ethanol, or other
2 1 biorefinery plants.
2 2 c. Projects on interstate highways.
2 3 2. Twenty percent for deposit in the secondary road fund,
2 4 for apportionment according to the methodology adopted
2 5 pursuant to section 312.3C, to be used by counties for
2 6 construction and maintenance projects on secondary road
2 7 bridges and on highways in the farm-to-market road system. At
2 8 least ten percent of the moneys allocated to a county under
2 9 this subsection shall be used for bridge construction, repair,
2 10 and maintenance, with priority given to projects that aid and
2 11 support economic development and job creation.
2 12 3. Twenty percent for deposit in the street construction
2 13 fund of the cities, apportioned on the basis of population in
2 14 the manner provided in section 312.3, to be used to sustain
2 15 and improve the municipal street system.
2 16 Sec. 4. NEW SECTION. 312A.4 FUTURE REPEAL.
2 17 This chapter is repealed June 30, 2028.
2 18 Sec. 5. NEW SECTION. 307.31 PERIODIC REVIEW OF REVENUES

2 19 == EVALUATION OF ALTERNATIVE FUNDING SOURCES.

2 20 1. The department shall periodically review the current
2 21 revenue levels of the road use tax fund and the sufficiency of
2 22 those revenues for the projected construction and maintenance
2 23 needs of city, county, and state governments in the future.
2 24 The department shall submit a written report to the general
2 25 assembly regarding its findings by December 31 every five
2 26 years, beginning in 2011. The report may include
2 27 recommendations concerning funding levels needed to support
2 28 the future mobility and accessibility for users of Iowa's
2 29 public road system.

2 30 2. The department shall evaluate alternative funding
2 31 sources for road maintenance and construction and report to
2 32 the general assembly at least every five years on the
2 33 advantages and disadvantages and the viability of alternative
2 34 funding mechanisms. The department's evaluation of
2 35 alternative funding sources may be included in the report

3 1 submitted to the general assembly under subsection 1.
3 2 Sec. 6. Section 312.2, subsections 12 and 13, Code 2007,
3 3 are amended to read as follows:

3 4 12. The treasurer of state, before making the allotments
3 5 provided for in this section, shall credit monthly from the
3 6 road use tax fund to the revitalize Iowa's sound economy fund,
3 7 created under section 315.2, the revenue accruing to the road
3 8 use tax fund in the amount equal to the revenues collected
3 9 under each of the following:

3 10 a. From the excise tax on motor fuel and special fuel
3 11 imposed under the tax rate of section 452A.3 except aviation
3 12 gasoline, the amount of excise tax collected from one and
3 13 ~~eleven-twentieths~~ three-fourths cents per gallon.

3 14 b. From the excise tax on special fuel for diesel engines,
3 15 the amount of excise tax collected from one and
3 16 ~~eleven-twentieths~~ three-fourths cents per gallon.

3 17 13. The treasurer of state, before making the allotments
3 18 provided for in this section, shall credit monthly from the
3 19 road use tax fund to the secondary road fund the revenue
3 20 accruing to the road use tax fund in the amount equal to the
3 21 revenues collected under each of the following:

3 22 a. From the excise tax on motor fuel and special fuel
3 23 imposed under the tax rate of section 452A.3, except aviation
3 24 gasoline, the amount of excise tax collected from
3 25 ~~nine-twentieths~~ one-fourth cent per gallon.

3 26 b. From the excise tax on special fuel for diesel engines,
3 27 the amount of excise tax collected from ~~nine-twentieths~~
3 28 one-fourth cent per gallon.

3 29 Sec. 7. Section 315.4, Code 2007, is amended to read as
3 30 follows:

3 31 315.4 ALLOCATION OF FUND.

3 32 Moneys credited to the RISE fund shall be allocated as
3 33 follows:

3 34 1. ~~Twenty thirty-firsts~~ Four-sevenths for deposit in the
3 35 primary road fund for the use of the department on primary
4 1 road projects ~~exclusively for highways which are identified~~
4 2 ~~under section 307A.2 as being part of the network of~~
4 3 ~~commercial and industrial highways. as follows:~~

4 4 a. Fifty percent for highways that support the production
4 5 or transport of renewable fuels, including primary highways
4 6 that connect biofuel facilities to highways in the commercial
4 7 and industrial highway network.

4 8 b. Fifty percent for highways that have been designated by
4 9 the state transportation commission as access Iowa highways
4 10 pursuant to 2005 Iowa Acts, chapter 178, section 41.

4 11 2. ~~One thirty-first~~ One-seventh for the use of counties on
4 12 secondary road projects, including secondary roads that
4 13 connect biofuel facilities to highways in the commercial and
4 14 industrial highway network.

4 15 3. ~~Ten thirty-firsts~~ Two-sevenths for the use of cities on
4 16 city street projects.

4 17 Commencing June 30, 1990, all uncommitted moneys in the
4 18 RISE fund on June 30 of each year which are allocated under
4 19 this section for the use of counties on secondary road
4 20 projects shall be credited to the secondary road fund.

4 21 Sec. 8. TIME=21 REVENUE COMMITTEE.

4 22 1. The legislative council shall establish a study
4 23 committee for the 2007 legislative interim to address the
4 24 revenue needs of the TIME=21 fund created in this Act. The
4 25 membership of the committee shall consist of eight members of
4 26 the general assembly as follows:

4 27 a. Four members of the senate, two appointed by the
4 28 majority leader of the senate and two appointed by the
4 29 minority leader of the senate.

4 30 b. Four members of the house of representatives, two
4 31 appointed by the speaker of the house and two appointed by the
4 32 minority leader of the house.
4 33 2. The committee may consider the revenue options proposed
4 34 in the 2006 report prepared by the state department of
4 35 transportation entitled "study of Iowa's current road use tax
5 1 funds (RUTF) and future road maintenance and construction
5 2 needs", as well as any other revenue options and related
5 3 issues. The committee shall report its findings and
5 4 recommendations, including a proposal for funding the TIME=21
5 5 fund, to the general assembly by January 15, 2008.
5 6 HF 932
5 7 dea:rj/jg/25